

North Carolina's Use of CRRSA Child Care Funding

Fact Sheet | March 2021

North Carolina received **\$336 million** in supplemental CCDBG funding from the Coronavirus Response and Relief Supplemental Appropriations Act, passed in December 2020. This is in addition to **\$118 million** in supplemental CCDBG funding the state received in the CARES Act, passed in March 2020.

States were required to submit a plan for their use of CRRSA funds to the Department of Health and Human Services by February 26, 2021. On February 25, the state submitted plans to invest the funds, though the legislature was still in the process of approving such uses of funds and specific levels for anticipated investments were not provided.

Support for providers. North Carolina plans to use CRRSA funds to continue to provide operational grants to the child care industry. According to the state, operational grants have been the most requested support by providers and advocates. These flexible funds allow providers to use the resources on fixed or operating expenses, improve cash flow, or meet specific needs. The state already has the infrastructure in place to issue payments directly to programs, and new awards will be distributed to all licensed centers and homes using a formula based on the following factors: number of children served, star rating, enrollment in the subsidy program, and infant and toddler enrollment.

The state will also use funds to purchase up to three clear face masks for all child care employees within licensed facilities. Clear masks will help support infants and children be more comfortable around adults and learn from auditory and visual cues that would be impeded by face coverings.

Support for parents. North Carolina plans to use CRRSA funds to cover parent copayments for all families participating in the child care subsidy program.

Support for child care workers. The state plans to invest in strategies to build and maintain a high-quality early childhood workforce, though no details were provided.

Summer Learning Loss Program. The North Carolina Pre-K program has served 32% less children than in previous years and many working families have been unable to provide the needed supports to ensure their children are ready for Kindergarten. As a result, many children have had limited instructional experiences and there is a need for a summer learning loss program to help mitigate the impacts of the pandemic. The state plans to use a portion of its CRRSA funds to implement a summer learning loss program.

More information available [here](#), including how the [state spent its CARES Act funding in 2020](#).